



CITY OF LODI

COUNCIL COMMUNICATION

AGENDA TITLE: Reject Bid for Sale of Surplus City Property at 1775 South Church Street

MEETING DATE: November 6, 1996

PREPARED BY: Public Works Director

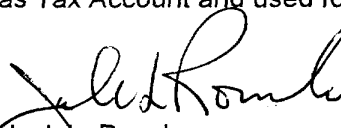
RECOMMENDED ACTION: That the City Council reject the bid received for the sale of surplus City property at 1775 South Church Street, set a minimum bid of \$40,000, and authorize the City Clerk to open bids on a continuous basis.

BACKGROUND INFORMATION: On September 25, the City opened a bid for this property in the amount of \$22,150 from Abdul Qayum. This bid is well below the fair market value and it is recommended it be rejected. Since August 1994, when this property was declared surplus City property and advertised for sale, we have received three bids, including this one, that were well below the appraised value. At the time we began advertising this property, a minimum bid amount was not set.

Before we began advertising this property in the summer of 1994, an appraisal was completed on the vacant lot which placed the value at \$55,000. The vacant lot is zoned R-MD, is 60 feet by 132 feet, and could accommodate four living units if all requirements for parking, etc. were met. Recently we asked for an updated appraisal to give us a new range of value. The range the appraiser gave was approximately \$40,000 to \$46,000. Setting a minimum price will eliminate bids the City wouldn't accept because they are so far below fair market value.

When we first started advertising the property, the bid opening date was set as the last Wednesday of each month. We would like to establish a continuous bid opening date so bids could be opened immediately and there would be no delay in letting prospective owners know the status of their bid. The results could be shared with the Council at the next Council meeting instead of waiting until after the last Wednesday of each month. The requirement for a one percent deposit at the time of bid would remain. The City Attorney has indicated that this is a procedure which we may follow.

FUNDING: Originally purchased with Gas Tax funds. Any money received from the sale of this property will be refunded to the Gas Tax Account and used for street purposes.

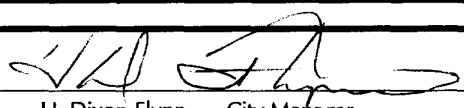

Jack L. Ronsko
Public Works Director

Prepared by Sharon Blaufus, Administrative Assistant

JLR/SB/lm

cc: Abdul Qayum

APPROVED: _____


H. Dixon Flynn -- City Manager

RESOLUTION NO. 96-156

A RESOLUTION OF THE LODI CITY COUNCIL
REJECTING THE BID FOR SALE OF CITY PROPERTY LOCATED
AT 1775 SOUTH CHURCH STREET

WHEREAS, in answer to notice duly published in accordance with law and the order of this City Council sealed bids are received and publicly opened on the fourth Wednesday of each month for the bid for Sale of Surplus City Property at located 1775 South Church Street, described in the specifications therefore approved by the City Council in August 1994; and

WHEREAS, said bids have been compared, checked, and tabulated and a report thereof filed with the City Manager as follows:

<u>Bidder</u>	<u>Location</u>	<u>Bids</u>
Appraisal - June, 1994		\$55,000.00
Alan Korsgaden	Stockton	\$16,000.00

WHEREAS, it is staff's recommendation that the bid be rejected based on the low bid in comparison to the June 1994 appraisal; and

NOW, THEREFORE, BE IT RESOLVED by the Lodi City Council that the bid received is hereby rejected for the Surplus City Property located at 1775 S. Church Street, Lodi, CA.

Dated: November 6, 1996

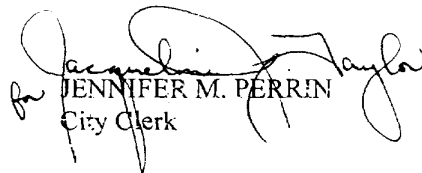
I hereby certify that Resolution No. 96-156 was passed and adopted by the City Council of the City of Lodi in a regular meeting held November 6, 1996 by the following vote:

AYES: COUNCIL MEMBERS - Davenport, Mann, Pennino, Sieglock
and Warner (Mayor)

NOES: COUNCIL MEMBERS - None

ABSENT: COUNCIL MEMBERS - None

ABSTAIN: COUNCIL MEMBERS - None


JENNIFER M. PERRIN
City Clerk

CITY COUNCIL

DAVID P. WARNER, Mayor
PHILLIP A. PENNINO
Mayor Pro Tempore
RAY G. DAVENPORT
STEPHEN J. MANN
JACK A. SIEGLOCK

CITY OF LODI

CITY HALL, 221 WEST PINE STREET
P.O. BOX 3006
LODI, CALIFORNIA 95241-1910
(209) 333-6706
FAX (209) 333-6710

H. DIXON FLYNN
City Manager
JENNIFER M. PERRIN
City Clerk
RANDALL A. HAYS
City Attorney

November 1, 1996

Mr. Abdul Qayum
1618 S. Sacramento St.
Lodi, CA 95240

SUBJECT: Reject Bid for Sale of Surplus City Property at 1775 South Church Street

Enclosed is a copy of background information on an item on the City Council agenda of Wednesday, November 6, 1996, at 7 p.m. The meeting will be held in the City Council Chamber, Carnegie Forum, 305 West Pine Street.

This item is on the consent calendar and is usually not discussed unless a Council Member requests discussion. The public is given an opportunity to address items on the consent calendar at the appropriate time.

If you wish to write to the City Council, please address your letter to City Council, City of Lodi, P. O. Box 3006, Lodi, California, 95241-1910. Be sure to allow time for the mail. Or, you may hand-deliver the letter to the City Clerk at 221 West Pine Street.

If you wish to address the Council at the Council meeting, be sure to fill out a speaker's card (available at the Carnegie Forum immediately prior to the start of the meeting) and give it to the City Clerk. If you have any questions about communicating with the Council, please contact Jennifer Perrin, City Clerk, at (209) 333-6702.

If you have any questions about the item itself, please call Sharon Blaufus at 333-6800, ext. 658



Jack L. Ronsko
Public Works Director

JLR/lm

Enclosure

cc: City Clerk ✓